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October 24, 1996

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Writer's Direct Dial Number (202) 887-1510

By Hand

William F. Caton Acting Secretary Federal Communications Commission 1919 M Street, N.W., Room 222 Washington, D.C. 20554 RECEIVED

OCT 2 4 1996

Federal Communications Commission Office of Secretary

Re: Erratum To October 22 Ex Parte Communication CC Docket No. 96-61

Dear Mr. Caton:

A copy of the attached document was inadvertently omitted as one of the exhibits to the ex parte letter we filed October 22, 1996. As explained in that letter, we met with Commissioner Chong and Dan Gonzales on October 22, prior to the release of the Sunshine Notice. We distributed several documents including the attached document. Because that document was inadvertently omitted from the attachments to our October 22 letter, please associate the attached document with the above-referenced docket.

Please contact the undersigned if you have any questions.

Sincerely.

Cheryl A. Tritt

cc: Commissioner Rachelle B. Chong (w/o enclosure)
Dan Gonzales (w/o enclosure)

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Telecommunications Research & Action Center

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FOR MORE INFORMATION CONTACT:

FOR IMMEDIATE RELEASE:

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September 24, 1996

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CONSUMER GROUP RELEASES ALL NEW STUDY ON LONG DISTANCE RATES Chart Shows Small Carriers Offer Best Deal

WASHINGTON, DC, SEPTEMBER 17 -- The best deal in long distance may no longer be with one of the three major long distance carriers, according to the Telecommunications Research and Action Center (TRAC), a nonprofit consumer group that has tracked long distance prices since the AT&T break-up in 1984. TRAC today released the 32nd edition of its widely used Tele-TipsTM Residential Long Distance Comparison Chart. The new chart compares residential rates and services for seven long distance carriers and 27 different calling plans.

According to the new chart, Frontier and Matrix, smaller and newer long distance companies, were least expensive in 14 of 18 calling baskets, while MCI and Sprint were least expensive in the other four baskets. When comparing only the "big three," MCI was the least expensive carrier in nine calling baskets, Sprint the least expensive in seven, and AT&T in two calling baskets.

"It is clear from the TRAC chart that consumers may save money by switching to a smaller carrier." said Sam Simon, counsel to TRAC.

Tele-Tips™ offers a totally new chart, with revised comparisons which more closely reflect the calling patterns of long distance customers. "Consumers can now more easily find

comparisons that are like their own calling patterns, and thus narrow their choice of which carrier and calling plan is best for them," Simon said.

"People who make only a few long distance calls can realize the greatest savings," according to Simon. "If you spend around \$10 a month, you can save between 45 and 48 percent by switching to the least expensive plan from the most expensive offering."

"The calling plans and rates have changed dramatically in only a few months," said Simon, counsel to TRAC. "Now more than ever, consumers need to re-evaluate their long distance carrier." TRAC usually recommends that customers review their calling patterns and the rates of long distance carriers at least once a year, but because of rapidly changing rates, plans and special promotions, Simon urges consumers to do this much more frequently. "Under current circumstances," he said, "consumers should be checking their rates and plans every three months."

With Tele-TipsTM, consumers can make side-by-side comparisons of the 27 calling plans, based on three typical calling patterns or "baskets." The chart features "calling baskets" for heavy day time callers, heavy night and weekend callers, and a composite or "average" user calling basket. Other reference tools in Tele-TipsTM include a Features and Services Comparison Chart, detailed plan descriptions for featured calling plans, and consumer tips on how to select the best long distance options.

Tele-TipsTM is the only independent source of information about rates, descriptions, and features and services, for all major long distance calling plans. Tele-TipsTM compares the following seven long distance carriers: AT&T, MCI, Sprint, Frontier, LDDS WorldCom, LCI and Matrix.

Copies of the current **Tele-Tips™** residential chart may be obtained by sending a stamped, self-addressed business-sized envelope and \$5.00 to TRAC, P.O. Box 27279, Washington, DC 20005. TRAC is a non-profit, tax-exempt organization that works to protect consumer interests in all forms of communications.

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(more...)

TRAC'S HOT TIPS...

Check out the smaller, "No-Name" carriers for possible savings!

• Tele-TipsTM shows that some of the biggest savings can be found with phone companies outside the "Big Three."

Watch out for long distance directory assistance charges!

• Charges for long distance directory assistance have skyrocketed for most carriers. It now costs \$0.95 for a long distance, interstate directory assistance call on AT&T, MCI, Sprint, Frontier and LCI. LDDS WorldCom charges only \$0.64 and Matrix charges \$0.75. Consumers can get two numbers for the price of one by dialing AT&T's 1-900-555-1212. The cost is \$0.95 -- up \$0.20 since Tele-TipsTM went to press.

Find out the calling time periods of your carrier -- they are changing!

• It used to be simple to know when the evening and week-end time periods kicked in for cheaper calling. That was because every company had the same time periods and they were all the same. Today, however, they are almost all different.. Check out the time periods for your carrier and be sure to call in the night/weekend period whenever possible to save. (A chart of the time periods is included in the TRAC chart.)

Always use a calling plan!

• Calling plans are always cheaper than basic or standard rates, yet a surprisingly large percentage of consumers are still on standard rates. That is like paying sticker price for a new car. The difference between the most and least expensive plan in our calling baskets has grown. According to the Tele-TipsTM chart, by switching from standard rates to the cheapest calling plan, consumers will save at least 34%!

AT&T True Savings isn't available to new customers!

• AT&T customers should be aware that True Savings tends to be AT&T's cheapest plan, but it has been closed to new customers. Customers on the plan now will be allowed to stay on the plan.